

**SUNTRUST MERCHANT SERVICES, LLC
BANKCARD ADDENDUM TO MASTER SERVICES AGREEMENT**

This Merchant Services Bankcard Addendum ("Bankcard Addendum") is among the CUSTOMER identified in the Participation Agreement, SUNTRUST BANK, N.A. ("BANK") and SUNTRUST MERCHANT SERVICES, LLC ("PROVIDER") (BANK and PROVIDER are collectively referred to as "SERVICERS"). The terms of the MSA between PROVIDER and CUSTOMER are incorporated herein and the parties hereto agree to be bound by such terms.

This Bankcard Addendum is an exhibit to "Exhibit A - Record of Negotiations – Negotiated Changes to Proposal," Solicitation No. 5400007106. As such, it is part of the proposal titled "Merchant Bank Card Services," submitted in response to Solicitation No. 5400007106 by SunTrust Merchant Services, LLC, to the Materials Management Office, Procurement Services Division, South Carolina Budget and Control Board, and dated March 17, 2014. "Contract" means any contract the State of South Carolina awards pursuant to Solicitation No. 5400007106. "Participation Agreement" means the agreement executed by a public procurement unit to participate in the Contract. Together with the Contract and the incorporated terms and conditions of the MSA and the terms of the Schedules attached hereto, this Bankcard Addendum contains the terms and conditions under which PROVIDER and/or BANK and/or other third parties will provide services to CUSTOMER.

BANK, as a wholly-owned operating subsidiary of a member of Visa U.S.A., Inc. ("VISA") and MasterCard International Incorporated ("MasterCard") (VISA and MasterCard, collectively, the "Card Organizations" or "Bankcard Associations"), is a licensee of the Bankcard Associations permitting it to acquire VISA and MasterCard transactions and has sponsored PROVIDER with the Bankcard Associations as a "Member Services Provider" (as defined in the Card Organization Rules). Accordingly, PROVIDER shall perform certain functions in connection with Authorization, processing and settlement for CUSTOMER hereunder. As between themselves, the respective rights and obligations of PROVIDER and BANK shall be governed by the agreements between them and/or their parent entities and the Card Organization Rules. CUSTOMER acknowledges that, notwithstanding anything contained in any or all of this Bankcard Addendum (which includes the Annex(es), Operating Procedures, attachment(s), schedule(s) or supplement(s) referred to herein or amendments to any of the aforesaid) to the contrary, BANK's obligations hereunder shall be limited to the sponsorship and settlement of certain Card transactions submitted in accordance with the terms and conditions of this Bankcard Addendum and the Card Organization Rules, and BANK shall not have any obligation or liability of any nature in connection with any related services or any services of any kind provided by PROVIDER or its affiliates provided hereunder or pursuant hereto.

In consideration of the mutual covenants and agreements set forth herein and other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, SERVICERS and CUSTOMER agree as follows:

1. **Definitions.** As used in this Bankcard Addendum, capitalized terms will have the meaning set forth in Annex 1.
2. **Services.**
 - 2.1. Subject to the Card Organization Rules, Services may be performed by PROVIDER or BANK or other third party banks subject to the agreements between them as the same may be modified from time to time. In addition to SERVICERS, one or more Affiliates of PROVIDER may assist in providing local support functions in connection with this Bankcard Addendum, provided that PROVIDER is fully responsible for the actions and/or omissions of any such Affiliates performed in connection with this Bankcard Addendum.
3. **Acceptance of Cards.** The following rules are requirements strictly enforced by Card Organizations, which include but not limited to:
 - 3.1. CUSTOMER's minimum Credit Card acceptance amount cannot exceed \$10.00. Such minimum amount must be established to all Credit Cards regardless of Card Issuer or Card brands.
 - 3.2. CUSTOMER may not impose a surcharge or fee for accepting a Card except as permitted by the Card Organizations.
 - 3.3. CUSTOMER cannot establish any special conditions for accepting a Card.
 - 3.4. CUSTOMER may provide a discount/incentive for a consumer to pay cash, check Credit Card, Debit Card, etc., however, CUSTOMER must clearly and conspicuously disclose the discount to consumers.. Also, CUSTOMER must offer the discount to all consumers and CUSTOMER cannot discriminate based on Card brand or Card Issuer.
 - 3.5. CUSTOMER may not require Cardholders to provide personal information (e.g, home or business phone number; home or business address; or driver's license number) unless instructed by the Authorized Center except for mail/telephone/Internet order or delivery-required transaction, or zip code for card-present key-entered transaction for purposes of obtaining an Address Verification. Any information that is supplied by the Cardholder must not be in plain view when mailed.
 - 3.6. CUSTOMER may not submit any transaction representing the refinance or transfer of an existing Cardholder obligation that is deemed uncollectible by the CUSTOMER.
 - 3.7. CUSTOMER shall not post signs indicating that CUSTOMER will refuse to honor Card transactions below or above a specified amount except as permitted by 3.1 above. CUSTOMER shall not engage in acceptance practices or procedures that discriminate against, discourage or favor the offered use of any particular Card accepted by CUSTOMER, other than co-branded Cards or other proprietary Cards.
 - 3.8. To the extent CUSTOMER processes a transaction that requires the Cardholder's signature, including, without limitation, a manually entered transaction, CUSTOMER must check each Card accepted for validity in accordance with the terms of this Bankcard Addendum, the Operating Procedures and the applicable Card Organization Rules. CUSTOMER must not submit for settlement any sale that was not created between the CUSTOMER and the Cardholder for settlement and under no circumstances may a CUSTOMER submit any sale that has been previously charged back by the Cardholder and returned to CUSTOMER.
 - 3.9. CUSTOMER will check each Card used during a transaction for validity in accordance with the terms of this Bankcard Addendum, the Operating Procedures and the applicable Card Organization Rules. CUSTOMER will not honor a Card that appears to be invalid or expired.

- 3.10. All Sales Drafts and Credit Vouchers must include (i) either a manual imprint or an electronic printing of the Card obtained by passing the Magnetic Stripe or Chip on the Card through a point-of-sale terminal, of Cardholder information contained on the Card or Magnetic Stripe or Chip; (ii) the signature of the authorized user as it appears on the Card, if required; (iii) the date of the transaction; (iv) a description of the merchandise sold or rented or the services rendered; and (v) the total cash price of the Card transaction (including taxes).
- 3.11. Except for transactions completed by using Magnetic Stripe or Chip reading point-of-sale terminals that print Card transaction records or originated at limited amount terminals that are capable of reading Magnetic Stripes or Chips and limit each Card transaction to twenty-five (\$25), CUSTOMER is deemed to warrant the true identity of any Cardholder unless CUSTOMER manually imprints the Card on the Sales Draft, as described in subsection 3.8, above.
- 3.12. Unless a Card transaction is governed by Section 6, Section 9 or otherwise specifically authorized by SERVICERS in writing, CUSTOMER may only complete a Card transaction when (i) the Card is present and (X) the data stored on the magnetic stripe or Chip or similar device is electronically read and printed by a magnetic stripe/device/Chip device reader or (Y) the Card is manually imprinted, (ii) the Card is signed and the signature on the Sales Draft, if required, appears to be the same as the signature on the Card, (iii) the Cardholder resembles the person pictured (if any) on the Card, and (iv) all, or the appropriate portion, of the embossed account number on the Card matches with the corresponding digits printed on the Card and with the account number displayed and/or printed by a point-of-sale device reading the magnetic strip or Chip on the Card. (If a previously unsigned Card is signed at the time of a Card transaction, CUSTOMER will review (and identify on the Sales Draft) a current, official government identification document (such as a driver's license or passport) bearing the Cardholder's signature.) CUSTOMER will deliver at least one copy of the Sales Draft or agreement or Credit Voucher to the Cardholder.

4. Operating Procedures; Card Organization Rules. CUSTOMER acknowledges that it has received the Operating Procedures (provided separately), the terms of which are incorporated into this Bankcard Addendum. CUSTOMER agrees to follow the procedures in the Operating Procedures in connection with each Card transaction and to comply with all applicable Card Organization Rules. From time to time, SERVICERS may change the Operating Procedures, in whole or in part, and other operating procedures, by providing CUSTOMER with at least thirty (30) days' prior written notice of the change. However, in the event of changes in the Card Organization Rules or due to security reasons, certain changes in the Operating Procedures may become effective on shorter notice. If there is any conflict between the terms of this Bankcard Addendum and the Operating Procedures, the terms of this Bankcard Addendum will govern, unless the conflict is directly related to a change in the Operating Procedures or the Card Organization Rules which specifically addresses a procedure or requirement detailed in this Bankcard Addendum. If CUSTOMER loses or otherwise misplaces the Operating Procedures or notices of changes thereto, CUSTOMER shall be responsible for contacting SERVICERS to obtain replacement copies.

5. Authorization.

- 5.1. CUSTOMER shall be responsible for obtaining Authorization in advance for each Card transaction. The Authorization number provided by SERVICERS shall be noted by CUSTOMER in the appropriate place on the Sales Draft. If Authorization is declined, CUSTOMER shall not complete the Card transaction.
- 5.2. CUSTOMER shall comply with any special authorization procedures contained in any other sections of this Bankcard Addendum, the Operating Procedures the Schedules and the Card Organization Rules.
- 5.3. CUSTOMER acknowledges that Authorization, (i) indicates only the availability of credit at the time of Authorization; (ii) does not warrant that the person presenting the Card is the rightful Cardholder; and (iii) is not an unconditional promise or guarantee by SERVICERS that any Card transaction will not be subject to Chargeback.
- 5.4. CUSTOMER may, as permitted in this Bankcard Addendum and for an additional fee, obtain a voice authorization or manually enter the transaction, in the event that the POS Terminal is not operating properly. SERVICERS will provide CUSTOMER with an approval number for voice authorized transactions and CUSTOMER shall record such approval number on the Sales Draft.
- 5.5. SERVICERS shall have no obligation to process any transactions initiated with a Card type not selected by CUSTOMER and SERVICERS shall be entitled to decline such transactions without first attempting to obtain an authorization. In the event any such transaction is inadvertently not declined by SERVICERS and is authorized by a card-issuing organization, Card Organization, or Network, CUSTOMER shall be fully liable for each transaction, as if the Card type initiating in such transaction was selected by CUSTOMER.

6. Telephone and Mail Orders.

- 6.1. If CUSTOMER is authorized to accept telephone or mail orders, Authorization for each such Card transaction, regardless of the face amount, must be obtained and CUSTOMER must write "TO" (indicating telephone order), or "MO" (indicating mail order) as applicable, on the Sales Draft in lieu of the Cardholder's signature. CUSTOMER assumes all responsibility for identification of the Cardholder and the validity of the Card information for telephone and mail orders. For telephone and mail order Card transactions where merchandise is to be shipped or delivered to or for the Cardholder, the shipping date shall not be more than seven (7) calendar days after the Authorization is obtained, and any shipping costs not included in the Authorization amount must not exceed fifteen percent (15%) of the amount authorized.
- 6.2. An installment payment option may be offered for telephone or mail order merchandise if all terms are clearly disclosed, each installment is authorized, the first installment is not submitted for settlement until the merchandise is shipped, and subsequent installments are submitted no more frequently than monthly.
- 6.3. Under no circumstances may CUSTOMER require that a Cardholder complete a postcard or other document which displays the Cardholder's account data in plain view when mailed.

7. Multiple Sales Drafts and Partial Consideration.

- 7.1. Except as shall be specifically set forth in the Operating Procedures or the Card Organization Rules, CUSTOMER shall list all items of goods and services purchased during each Card transaction and the total amount thereof on a single Sales Draft.
- 7.2. CUSTOMER shall comply with all special procedures and conditions applicable under the Operating Procedures and the Card Organization Rules with respect to any partial payment, installment payment, delayed delivery or advance

deposit situation and any delayed or amended charges for a travel and entertainment transaction. CUSTOMER shall not use more than one Sales Draft to represent a single Card transaction to avoid the need for Authorization.

8. Preauthorized Orders and Recurring Sales.

- 8.1. A Preauthorized Order or Recurring Sale may include the payment of recurring charges such as insurance premiums, subscriptions, membership fees, tuition or utility charges and may also include preauthorized health care payments (subject to the associated preauthorized payment schedule between the Cardholder and CUSTOMER).
- 8.2. If CUSTOMER is authorized to accept Preauthorized Orders or Recurring Sales, Authorization for each such Card transaction, regardless of the amount, must be obtained and CUSTOMER must write "Recurring Transaction" (for Visa and other non-MasterCard Card transactions) or "PO" (for MasterCard Card transactions) as applicable, on the Sales Draft in lieu of the Cardholder's signature.
- 8.3. Except for preauthorized health care payments for the incremental costs not covered by insurance, advance deposits and installment payments, all made in compliance with this Bankcard Addendum and the Operating Procedures and Card Organization Rules, a Preauthorized Order or Recurring Sale may not include partial payments made to CUSTOMER for goods or services purchased in a single transaction. In no event may any finance charges be imposed on any periodic payments in connection with a Preauthorized Order or Recurring Sale.
- 8.4. CUSTOMER may not accept a Preauthorized Order or Recurring Sale from a Cardholder for the purchase of goods or services which are delivered or performed periodically unless the Cardholder completes and delivers to CUSTOMER a written request (and, when applicable, a written renewal request) identifying (i) the goods or services to be charged to the Cardholder's account, (ii) the amount of the preauthorized or recurring charges (unless such charges are for variable amounts), (iii) the frequency of the preauthorized or recurring charges and (iv) the duration of time for which the Cardholder's permission is granted. If CUSTOMER accepts any Preauthorized Orders or Recurring Sales for variable amounts, CUSTOMER must comply with the associated preauthorized payment schedule between the Cardholder and CUSTOMER.
- 8.5. The Cardholder's written request (including any written renewal request) must be (i) retained for the duration of the preauthorized or recurring charges; (ii) provided in response to a Card issuing bank's request for original documentation; and (iii) used no longer after receiving notice of cancellation.

9. Internet Processing. If CUSTOMER is authorized to accept and process Internet transactions through SERVICERS, CUSTOMER also acknowledges that it must inform SERVICERS of its use of any processing software, third party Internet payment gateway, shopping cart, Web Site host, or other service provider (collectively "Internet Service Providers"), that any Internet payment gateway must be approved by SERVICERS and that CUSTOMER is prohibited from transmitting any cardholder transaction data to any Internet Service Providers (or any third party) without the approval of SERVICERS. If CUSTOMER accepts Internet transactions without such approval, SERVICERS may, in addition to any other rights it may have under this Bankcard Addendum, establish a chargeback reserve account to protect them from risk of loss. If authorized to accept payment by Internet, the Sales Draft shall be completed without the Cardholder's signature or an Imprint but shall include the Cardholder's name, billing address, Card number, expiration date, of the Card, a description of the merchandise or service and the date and amount of all charges. All Internet transactions will be settled by SERVICERS into a depository institution in the United States. CUSTOMER shall process Internet transactions only (a) if the Internet transactions have been encrypted by SERVICERS or by an Internet Service Provider acceptable to SERVICERS and (b) Cardholder data is protected by CUSTOMER as required by the then-current Card Organization Rules, PCI data security requirements, or any other applicable regulations. Encryption is not guarantee of payment to CUSTOMER. CUSTOMER acknowledges that Internet transactions may be authorized and settled through separate BIN/ICA numbers and interchanges and that SERVICERS may be unable to combine deposits of Internet transactions and non Internet credit and debit Card transactions. Because the transactions processed via the Internet are higher risk, CUSTOMER may be charged higher interchange fees. Internet transactions are subjected to a higher incidence of chargebacks and, as with non-Internet transactions, receiving an authorization and following procedures will not relieve the CUSTOMER of liability associated with chargebacks and/or the fraudulent use of customer data obtained off of CUSTOMER's Web Sites. All communications costs related to Internet transactions are CUSTOMER's responsibility. SERVICERS will not manage the Internet telecommunication link which is also CUSTOMER's responsibility. Obtaining any license or sub-license of software required to permit CUSTOMER to process Internet transactions shall be CUSTOMER's responsibility, and if obtained from SERVICER's, subject to a separate agreement. SERVICERS do not guarantee that obtaining required approvals from SERVICERS or implementing suggested security measures will cause CUSTOMER's Internet transactions to be secure or impregnable, and SERVICERS will not be responsible in the event of the infiltration of CUSTOMER's or any Internet Service Provider's security systems. CUSTOMER further acknowledges and agrees that SERVICERS are not responsible for the security of the Cardholder data or information stored on CUSTOMER's or any Internet Service Provider's computers, systems or Web Site(s) and that CUSTOMER will be solely responsible for any liability, fines, or penalties arising from its use, storage, or dissemination of cardholder data.

10. Cardholder Refunds and Credits.

- 10.1. If a Cardholder returns goods or cancels services purchased from CUSTOMER with a Card, or CUSTOMER allows any other price adjustment after a sale has been completed and a refund or adjustment is due to the Cardholder (other than any involuntary refund required by applicable airline or other tariff or by law), CUSTOMER will not return cash to the Cardholder but will instead prepare a Credit Voucher and process each such refund or adjustment, as specified in the Operating Procedures and Card Organization Rules. CUSTOMER will give the Cardholder a copy of the completed Credit Voucher.
- 10.2. If CUSTOMER establishes a policy limiting refunds or acceptance of returned merchandise (e.g., no refund, exchange only, in-store credit only, or special conditions), CUSTOMER must follow the procedures regarding refunds and returned merchandise as set forth in the Card Organization Rules including, without limitation, the proper disclosure of such policy on all copies of each Sales Draft in letters at least 1/4" high in close proximity to the space provided for the Cardholder's signature.
- 10.3. CUSTOMER will not accept money from a Cardholder for the purpose of preparing and depositing a Credit Voucher that will effect a deposit to the Cardholder's account. CUSTOMER must not process a Credit Voucher without having completed a previous Card transaction with the same Cardholder (or with a Cardholder who purchased a gift returned by the recipient). Under no circumstances may CUSTOMER require a Cardholder to waive the Cardholder's right to dispute a Card transaction with the Card issuing bank.

11. Presentment of Card Transactions.

- 11.1. CUSTOMER shall electronically or physically deliver to SERVICERS Sales Drafts for all Card transactions to be processed and settled hereunder.
- 11.2. CUSTOMER will not submit any Sales Draft that was not created in conjunction with a Card transaction between CUSTOMER and the applicable Cardholder. Under no circumstances will CUSTOMER submit any Sales Draft that has been previously charged back by the Cardholder and subsequently returned to CUSTOMER.

12. Settlement of Card Transactions.

- 12.1. SERVICERS will only be required to settle CUSTOMER's Card transactions for Cards as specified herein. Promptly after presentment of Sales Drafts pursuant to Section 11, above, as applicable, SERVICERS will initiate a transfer via Automated Clearing House Credit of the applicable settlement funds to CUSTOMER. When SERVICERS receive payment of settlement funds through automated clearing house credit, SERVICERS will initiate a transfer of such applicable settlement funds through ACH to CUSTOMER's Settlement Account. Except where conditions are met that provide for funding the next business day, settlement by automated clearing house credit will take place the second banking day after SERVICERS process the applicable Card transactions.
- 12.2. All settlements to CUSTOMER for VISA and MasterCard Card, transactions will be based upon gross sales, less credits/refunds, adjustments, applicable interchange, assessments, Chargebacks, amounts payable to third parties pursuant to instructions from CUSTOMER in accordance with the Card Organization Rules, and any other amounts then due from CUSTOMER to SERVICERS under the Contract. Settlement generally occurs within two (2) banking days after SERVICERS process applicable settlement file.
- 12.3. All credits to CUSTOMER's Settlement Account or other payments to CUSTOMER are provisional and are subject to, among other things, SERVICERS' final audit, and Chargebacks imposed by the Card Organizations. CUSTOMER agrees that SERVICERS may debit or credit CUSTOMER's Settlement Account for any deficiencies, overages, fees and pending Chargebacks, or may deduct such amounts from settlement funds due to CUSTOMER. Alternatively, SERVICERS may elect to invoice CUSTOMER for any such amounts, net due 30 days after the invoice date or on such earlier date as may be specified.
- 12.4. SERVICERS will not be liable for any delays in receipt of funds or errors in debit and credit entries caused by third parties including but not limited to delay or error in clearing or processing a transaction through the ACH Network or Federal Reserve system, or delays caused by any Card Organization or CUSTOMER's financial institution. In addition to any other remedies available to SERVICERS under this Bankcard Addendum, CUSTOMER agrees that should any of the events set forth in Paragraph 21.3 occur, SERVICERS may, upon at least 24 hours' advance written notice, change processing or payment terms to suspend credits or other payments of any and all funds, money and amounts now due or hereafter to become due to CUSTOMER from SERVICERS pursuant to the terms of this Bankcard Addendum, until SERVICERS have had reasonable opportunity to investigate and discuss such event with CUSTOMER. In cases of fraud or similar cause, no prior notice shall be required, but SERVICERS shall notify CUSTOMER in writing within three (3) business days after effectuating a suspension of credits or other payments, which notice shall state SERVICERS' reason for the belief that such fraud or similar cause exists.

13. Fees; Adjustments; Collection of Amounts Due.

- 13.1. SERVICERS shall charge CUSTOMER: (i) SERVICERS' fees; and (ii) pass through of all Third Party Fees, which shall be calculated and payable pursuant to the Schedules and any additional pricing supplements. The fees with respect to other Card transactions shall be a per transaction fee for all such Card transactions. CUSTOMER acknowledges that the fees stated herein are based upon the qualification of CUSTOMER's transactions for certain reduced interchange fees as set by the applicable Card Organization. If CUSTOMER's Card transactions fail to qualify for the reduced interchange fees, SERVICERS shall process such Card transactions at the applicable interchange fees as set by the applicable Card Organization. If a transaction fails to qualify for CUSTOMER's anticipated interchange levels, then the Card Organization will downgrade the transaction and process it at a more costly interchange level for which it does qualify. In that event, CUSTOMER shall be charged a Non-Qualified Interchange Fee, which is the difference between the interchange fee associated with the anticipated interchange level and the interchange fee associated with the interchange level at which the transaction actually was processed ("Non- Qualified Interchange Fee").
- 13.2. The fees for Services set forth in the Schedules and any additional pricing supplement, are based upon assumptions associated with the anticipated annual volume, average transaction size and CUSTOMER's method of doing business. If the actual volume or average transaction size are not as expected or if CUSTOMER significantly alters its method of doing business, SERVICERS may adjust its Transaction Fees in accordance with the Contract.
- 13.3. The fees for Services set forth in the Schedules may be adjusted to reflect increases or decreases by Card Organizations in interchange, assessment or other Card Organization fees or to pass through increases charged by third parties for on-line communications and similar items. All such adjustments shall be CUSTOMER's responsibility to pay and shall become effective upon the date any such change is implemented by the applicable Card Organization or other third party. CUSTOMER shall at all times be responsible for, payment of all fees and charges set forth in the Schedules (including increases, additions, or modifications made thereto), as well as, without limitation, Third Party Fees imposed due to any failure by CUSTOMER to comply with its obligation under this Addendum.
- 13.4. If CUSTOMER receives settlement funds by wire transfer, SERVICERS may charge wire transfer fees of ten dollars (\$10) per wire, notwithstanding any lesser amount shown on the Schedules, during any month in which the average daily settlement funds wire transferred to CUSTOMER is less than ten thousand dollars (\$10,000).
- 13.5. In addition to the regular Chargeback fees, as set forth on the Schedules, CUSTOMER is responsible to pay any fines, fees, or penalties imposed by any Card Organization, resulting from Chargebacks and any other fines, fees or penalties imposed by a Card Organization with respect to acts or omissions of CUSTOMER.
- 13.6. If CUSTOMER's Chargeback Percentage for any line of business exceeds the estimated industry chargeback percentage, CUSTOMER shall, in addition to the regular Chargeback fees due to SERVICERS and any applicable Chargeback handling fees or fines imposed by the applicable Card Organization, pay SERVICERS the excessive Chargeback fee shown on the Schedules for all Chargebacks occurring in such month in such line(s) of business. Each estimated industry chargeback percentage is subject to change from time to time by SERVICERS in order to reflect changes in the industry chargeback percentage reported by VISA or MasterCard.

- 13.7. If CUSTOMER believes any adjustments should be made with respect to CUSTOMER's Settlement Account for any amounts due to or due from SERVICERS, CUSTOMER shall notify SERVICERS (at the addresses set forth in the Participation Agreement) in writing within forty-five (45) days after any debit or credit is or should have been effected. If CUSTOMER notifies SERVICERS after such time period, SERVICERS may, in their discretion, assist CUSTOMER, at CUSTOMER's expense, in investigating whether any adjustments are appropriate and whether any amounts are due to or from SERVICERS, but SERVICERS shall not have any obligation to investigate or effect any such adjustments. Any voluntary efforts by SERVICERS to assist CUSTOMER in investigating such matters shall not create any obligation to continue such investigation or assist with any investigation in response to any future notices of possible adjustments that are not timely submitted.
- 13.8. CUSTOMER does not waive its sovereign immunity with respect to any claims arising under Association Rules for fines or penalties. PROVIDER pledges to use their best commercially reasonable efforts to inform the CUSTOMER of any Association Rules that impose fines or penalties; nonetheless, CUSTOMER acknowledges it has been informed that fines, fees or penalties may arise under conditions imposed by the Association Rules. Upon notice of any fines, fees or penalties, the parties pledge their best efforts to resolve any disputes involving fines and penalties.

14. Chargebacks.

- 14.1. CUSTOMER shall be responsible for all Chargeback amounts relating to Card transactions settled by SERVICERS where, including, but not limited to:
- 14.1.1. merchandise is returned and a proper credit for Cardholder is not received by SERVICERS for processing;
 - 14.1.2. the Sales Draft is, or is alleged to have been, executed, accepted, endorsed, completed or assigned improperly without authority or not in accordance with the Authorization requirements or provisions of this Bankcard Addendum;
 - 14.1.3. regardless of any Authorization obtained (including without limitation, telephone and mail order transactions), CUSTOMER completed a transaction when the Cardholder did not sign the Sales Draft;
 - 14.1.4. the signature on the draft was unauthorized as compared to the signature appearing on the Card, the signature panel on the Card was blank, or a limited purpose business purchasing card was accepted without appropriate authorization of the nature of the goods or services purchased (in addition to Authorization of the transaction amount);
 - 14.1.5. the Sales Draft is incorrectly completed, incomplete or illegible;
 - 14.1.6. the Cardholder disputes the sale, quality or delivery (or availability for pre-arranged pick-up) of merchandise or the performance or quality of service covered by the Sales Draft or agreement accepted by such Cardholder;
 - 14.1.7. the circumstances in which the Sales Draft was created or submitted by, or credit was received by, CUSTOMER constituted or otherwise involved a breach of any term, condition, representation, warranty or duty of CUSTOMER hereunder;
 - 14.1.8. multiple Sales Drafts were executed to avoid the need to obtain authorization necessary to complete the transaction;
 - 14.1.9. the extension of credit for merchandise sold or rented or services performed was in violation of law or the rules or regulations of any governmental agency, whether federal, state, local or otherwise;
 - 14.1.10. a legible copy of the Sales Draft or Credit Voucher cannot be produced by CUSTOMER within ten days of SERVICERS' request (except to the extent SERVICERS are responsible pursuant to Paragraph 16.1);
 - 14.1.11. the Cardholder asserts any claim or defense which the Cardholder has as a consumer of goods or services;
 - 14.1.12. the Cardholder disputes the validity of a telephone or mail order Card transaction;
 - 14.1.13. the Card transaction is otherwise subject to Chargeback by the Card issuing bank or Cardholder in accordance with Card Organization Rules or applicable law; or
 - 14.1.14. the Card transaction is subject to Chargeback in accordance with the procedures set forth in the Operating Procedures.
- 14.2. CUSTOMER shall pay for any Chargebacks, return items, or other losses resulting from CUSTOMER's failure to produce a Card transaction record requested by SERVICERS within the applicable time limits.

15. Representations; Warranties.

- 15.1. Without limiting any other warranties hereunder, CUSTOMER represents and warrants as to each Card transaction submitted by CUSTOMER under this Bankcard Addendum that:
- 15.1.1. the Card transaction represents a bona fide sale/rental of merchandise or services not previously submitted;
 - 15.1.2. the Card transaction represents an obligation of the Cardholder for the amount of the Card transaction;
 - 15.1.3. the amount charged for the Card transaction is not subject to any dispute, setoff, or counterclaim;
 - 15.1.4. the Card transaction amount is only for the merchandise or services (including taxes, but without any surcharge) sold or rented and, except for any delayed delivery or advance deposit Card transactions expressly authorized by this Bankcard Addendum, the merchandise or service was actually delivered to or performed for the person entering into the Card transaction simultaneously upon CUSTOMER's accepting and submitting the Card transaction for processing;
 - 15.1.5. the Card transaction does not represent the refinancing of an existing obligation of the Cardholder (including any obligation otherwise owed to CUSTOMER by a Cardholder or arising from the dishonor of a personal check);
 - 15.1.6. CUSTOMER has no knowledge or notice of any fact, circumstances or defense which would indicate that the Card transaction was fraudulent or not authorized by the Cardholder or which would otherwise impair the validity or collectibility of the Cardholder's obligation arising from such Card transaction or relieve the Cardholder from liability with respect thereto;
 - 15.1.7. the Card transaction submitted to SERVICERS was entered into by CUSTOMER and the Cardholder; and
 - 15.1.8. the Card transaction was made in accordance with the terms of this Bankcard Addendum, Card Organization Rules and the Operating Procedures.
- 15.2. SERVICERS represent and warrant that: (i) SERVICERS will provide the services in accordance with the then current applicable Card Organization Rules.

16. Retention of Records.

- 16.1. If the Schedules provide that PROVIDER shall prepare and retain images (on microfilm or otherwise) of CUSTOMER's paper Sales Drafts and Credit Vouchers, CUSTOMER shall deliver to PROVIDER the originals or copies of CUSTOMER's Sales Drafts and Credit Vouchers in suitable form for imaging no later than seven calendar days from the date of the transaction; provided however, that CUSTOMER shall retain legible copies of Sales Drafts and Credit Vouchers for at least six months following the date of each such transaction. If the Schedules provide that PROVIDER shall capture and store data reflecting Card transactions electronically transmitted to PROVIDER, CUSTOMER shall transmit to PROVIDER all data required to be included on Sales Drafts and Credit Vouchers (or CUSTOMER shall be responsible for any deficiencies in the data transmitted).
- 16.2. If the Schedules provide that CUSTOMER shall retain images (on microfilm or otherwise) or legible copies of CUSTOMER's Sales Drafts and Credit Vouchers, CUSTOMER shall retain legible copies of Sales Drafts and Credit Vouchers for a period of at least eighteen months from the date of each such transaction. CUSTOMER shall submit to SERVICERS a legible copy of a Sales Draft or Credit Voucher within 5 days of a request by SERVICERS.
- 16.3. Unless the Schedules provide that PROVIDER is responsible for retaining records of CUSTOMER's Card transaction data and CUSTOMER has actually delivered to PROVIDER the applicable Card transaction data containing all required information in legible and suitable form for imaging or electronic capture and storage (as applicable), CUSTOMER shall be responsible for the retrieval of all Sales Drafts and Credit Vouchers requested by SERVICERS within the shortest time limits established by the Card Organization Rules, as specified in the Operating Procedures, this Bankcard Addendum, or other notice from SERVICERS. CUSTOMER shall not be relieved of its responsibility under the preceding sentence for any deficiencies in Card transaction data transmitted or otherwise delivered to SERVICERS, even though PROVIDER may agree to capture or produce images of, store and retrieve any such incomplete data on CUSTOMER's behalf.

17. Cash Payments by and Cash Disbursements to Cardholders. CUSTOMER shall not accept any direct payments from Cardholders for charges of merchandise or services which have been included on a Sales Draft, it being the right of the Card issuing bank to receive such payments. Taxes on Card transactions must be included in the amount charged and may not be collected by CUSTOMER in cash. CUSTOMER shall not make any cash disbursements to a Cardholder as part of a Card transaction except to the extent expressly authorized by one or more of the Schedules, the Operating Procedures or the Card Organization Rules.

18. Confidentiality.

- 18.1. Unless CUSTOMER obtains consents from each applicable Card Organization, SERVICERS, Card issuing bank and Cardholder, CUSTOMER shall not use, disclose, sell or disseminate any Cardholder information obtained as a result of a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, Retrieval Requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order, or as otherwise permitted or required by law. CUSTOMER shall use proper controls for and shall limit access to, and shall render unreadable prior to discarding, all records containing Cardholder account numbers and Card imprints. CUSTOMER must not retain or store Magnetic Stripe or Chip data after a transaction has been authorized. If CUSTOMER stores any electronically captured signature of a Cardholder, CUSTOMER shall not reproduce such signature except upon specific request of SERVICERS.
- 18.2. CUSTOMER acknowledges that it obtains no ownership rights in any information relating to and derived from Card transactions. Cardholder account numbers, personal information and other Card transaction information, including any databases containing such information, may not be sold or disclosed to a third party as an asset upon a bankruptcy, insolvency or failure of CUSTOMER's business.
- 18.3. In the event of termination or expiration of this Agreement for any reason, upon request: (i) SERVICERS shall promptly return to CUSTOMER or destroy (as directed by CUSTOMER) any CUSTOMER Confidential Information in SERVICER'S possession; and (ii) CUSTOMER shall promptly return to SERVICERS or destroy (as directed by SERVICERS) any SERVICERS Confidential Information in CUSTOMER's possession.

19. Supplies; Advertising. At CUSTOMER's option and at charges specified from time to time by SERVICERS, SERVICERS may furnish CUSTOMER with operational supplies such as the forms of sales drafts, credit vouchers and Card Organization decals (excluding any supplies for terminals or other equipment, which shall be CUSTOMER's responsibility). CUSTOMER shall display VISA, MasterCard and, if applicable, other Card Organization decals and program marks on promotional materials furnished by SERVICERS, as required by Card Organization Rules, but shall not indicate that VISA, MasterCard or any other Card Organization endorses CUSTOMER's goods or services and shall not continue using such materials after termination of this Bankcard Addendum.

20. Assignment.

- 20.1. Any transfer or assignment of this Bankcard Addendum by CUSTOMER without SERVICERS' prior written consent, by operation of law or otherwise, is voidable at either SERVICER'S sole discretion. In the event of such transfer or assignment, the party to whom the Bankcard Addendum was transferred or assigned shall be bound to the terms and conditions of this Bankcard Addendum to the same extent as if SERVICERS and such assignee or transferee, as the case may be, entered into an agreement identical to this Bankcard Addendum on the effective date of such transfer or assignment.
- 20.2. PROVIDER may not assign this Contract or its obligations hereunder except as permitted by South Carolina Laws and this Paragraph. Except as prohibited by law, PROVIDER shall provide reasonable notice of not less than thirty (30) days prior to any consolidation, acquisition, or merger that may reasonably affect this Agreement. An assignment by PROVIDER to a wholly owned or majority controlled Affiliate shall be permitted under the terms of this Agreement, provided that such assignee is capable and willing to provide the same services to CUSTOMER under the same terms and conditions as agreed upon herein. CUSTOMER'S consent to an assignment by PROVIDER as the result of a merger in which the applicable PROVIDER is the surviving corporation shall not be unreasonably withheld upon receipt of reasonable notice thereof, provided that any assignee shall affirm this Agreement according to the terms and conditions of this Agreement. In the event such consent is not given, CUSTOMER or PROVIDER may terminate this Agreement, upon thirty (30) days notice. Notwithstanding the foregoing, upon notice to CUSTOMER, another VISA and MasterCard member and/or its service provider may be substituted for BANK and PROVIDER under whose

sponsorship this Agreement is performed. Upon substitution, such other VISA and MasterCard member and/or its service provider shall be responsible for all obligations required of BANK and PROVIDER, including without limitation, full responsibility for performance of the terms and conditions herein and such other obligations as may be expressly required by applicable Association Rules..

- 20.3. Except as provided in the following sentence, this Bankcard Addendum shall be binding upon permitted successors and assigns and shall inure to the benefit of the parties and their respective permitted successors and assigns. No assignee for the benefit of creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, sheriff or any other officer of a court, or other person charged with taking custody of a party's assets or business, shall have any right to continue or to assume or to assign this Bankcard Addendum.

21. Term; Events of Default.

- 21.1. This Bankcard Addendum and the applicable Schedules shall become effective upon the date the Participation Agreement and the applicable Schedules are signed by BANK, which shall in all instances be on or after the date(s) CUSTOMER and PROVIDER sign the Participation Agreement and the applicable Schedules and CUSTOMER will be advised of the effective date by SERVICERS.
- 21.2. The initial term and any subsequent terms of this Bankcard Addendum shall commence and shall continue in force as described in the Contract.
- 21.3. If any of the following events shall occur (each an Event of Default"):
- 21.3.1. Reserved.
 - 21.3.2. Reserved.
 - 21.3.3. Reserved.
 - 21.3.4. irregular Card sales submitted by CUSTOMER, fraudulent or suspected fraudulent Card sales submitted by CUSTOMER excessive Chargebacks, or any other circumstances which, in SERVICERS' sole reasonable discretion, may increase SERVICERS' exposure for CUSTOMER's chargebacks or otherwise presents a financial or security risk to SERVICERS; or
 - 21.3.5. any representation or warranty of either party in this Bankcard Addendum is breached in any material respect or was or is incorrect in any material respect when made or deemed to be made; or
 - 21.3.6. either party shall default in any material respect in the performance or observance of any term, covenant, condition or agreement contained in this Bankcard Addendum, including, without limitation on the part of CUSTOMER, the Data Security requirements as detailed in Section 25; or
 - 21.3.7. CUSTOMER shall default in any material respect in the performance or observance of any term, covenant or condition contained in any agreement with any affiliate of SERVICERS, including, but not limited to, any agreement governing check guarantee or check verification services; or
 - 21.3.8. CUSTOMER shall default in the payment when due, whether upon maturity or otherwise, of any material indebtedness for borrowed money or any material trade payable; or
 - 21.3.9. Reserved.
 - 21.3.10. Reserved.
 - 21.3.11. the independent certified accountants retained by CUSTOMER shall refuse to deliver an unqualified opinion with respect to the annual financial statements of CUSTOMER and its consolidated subsidiaries;
- then, upon the occurrence of an Event of Default, this Agreement as it pertains to the applicable Participation Agreement may be terminated by SERVICERS by giving not less than 30 days' notice to CUSTOMER and, upon such notice, all amounts payable hereunder by CUSTOMER to SERVICERS shall be due and payable upon demand. Notwithstanding any of the foregoing, in the event that there is a breach of CUSTOMER's security or any other event or situation has transpired which has resulted in a request from any Association that this Agreement be terminated, the parties hereunder acknowledge that SERVICERS may terminate this Agreement immediately and all amounts payable hereunder from CUSTOMER to SERVICERS shall be immediately due and payable upon demand.
- 21.4. Neither the expiration nor termination of this Bankcard Addendum shall terminate the obligations and rights of the parties pursuant to provisions of this Bankcard Addendum which by their terms are intended to survive or be perpetual or irrevocable and such provisions shall survive the expiration or termination of this Bankcard Addendum.
- 21.5. If any Event of Default shall have occurred and be continuing, SERVICERS may, in their sole discretion, exercise all of their rights and remedies under applicable law.
- 21.6. This Bankcard Addendum also may be terminated by SERVICERS prior to the then-current expiration date upon at least 90 days' advance written notice, if CUSTOMER's Card transactions fail to conform to the volume or average transaction size representations as set forth in the Schedules.
- 21.7. This Bankcard Addendum also may be terminated by SERVICERS without notice or penalty, if in their sole discretion, such termination is necessary for SERVICERS to comply with their obligations under any applicable law, rule or regulation including, but not limited to, the Office of Foreign Assets Control ("OFAC") Regulations and Card Organization Rules. SERVICERS' termination of this Bankcard Addendum pursuant to this Section 21.7 shall not be deemed a breach of contract by SERVICERS.
- 21.8. If this Bankcard Addendum is terminated for cause, CUSTOMER acknowledges that SERVICERS may be required to report CUSTOMER's business name and the names and other identification of its principals to the Combined Terminated Merchant File maintained by VISA and MasterCard. CUSTOMER expressly agrees and consents to such reporting in the event CUSTOMER is terminated as a result of the occurrence of an Event of Default or for any reason specified as cause by VISA or MasterCard. Furthermore, CUSTOMER agrees to waive any and all claims which CUSTOMER may have as a result of such reporting
- 21.9. The provisions governing processing and settlement of Card transactions, all related adjustments, fees and other amounts due from CUSTOMER and the resolution of any related chargebacks, disputes or other issues involving Card transactions will continue to apply even after termination of this Bankcard Addendum, until all Card transactions made prior to such termination are settled or resolved. In addition, the provisions of Sections 13 through 18, inclusive, 20, 22, 24 and 25, and Subsections 21.7, 21.9, 26.2 and 26.3, all in this Bankcard Addendum, shall survive any termination. Upon termination of this Bankcard Addendum, CUSTOMER agrees to immediately send SERVICERS all the data relating to Card transactions conducted prior to the date of termination.
- 21.10. After termination of this Bankcard Addendum for any reason whatsoever, CUSTOMER shall continue to bear total responsibility for all Chargebacks, fees, credits and adjustments resulting from Card transactions processed pursuant to this Bankcard Addendum and all other amounts then due or which thereafter may become due to SERVICERS under

this Bankcard Addendum or which may be due to SERVICERS before or after such termination to either SERVICERS or any of SERVICERS' Affiliates for any related equipment or related services.

22. Reserve Account; Security Interest.

- 22.1. Reserved.
- 22.2. Reserved.
- 22.3. Reserved.
- 22.4. Reserved.

23. Reserved.

24. Reserved.

25. Data Security.

- 25.1. Per the terms of this Bankcard Addendum, CUSTOMER is required to follow the Operating Procedures and CUSTOMER and SERVICERS will comply with applicable Card Organization Rules as they may each be amended from time to time. The Card Organization may impose different compliance requirements on different types and levels of customers. The Card Organization may impose restrictions, fines, or prohibit CUSTOMER from participating in Card Organization programs if it is determined CUSTOMER is non-compliant with such programs. CUSTOMER understands that it must be in compliance with applicable data security regulations for its type or level of customer as defined by the Card Organizations security procedures as well as comply with general security procedures. SERVICERS will endeavor to provide CUSTOMER with amended operating procedures outlining the various Card Organization requirements with regard to Data Security, and other matters, pursuant to the terms of the Bankcard Addendum, however, CUSTOMER understands and acknowledges that it is solely the responsibility of CUSTOMER to maintain compliance with all applicable Card Organization PCI Data Security procedures and regulations, and to pay any and all fines, assessments and other liabilities levied by the applicable Card Organization for its non-compliance, whether or not SERVICERS provide to CUSTOMER the amended operating procedures.
- 25.2. CUSTOMER also understands and acknowledges that it is solely responsible for the compliance of any and all third parties (including but not limited to Internet Service Providers) that are granted access by CUSTOMER, to CUSTOMER's cardholder data, and for any third party POS VAR software that CUSTOMER may use. CUSTOMER further acknowledges that it is CUSTOMER's responsibility to inform SERVICERS of any of CUSTOMER's third party providers that are given access by CUSTOMER to CUSTOMER's cardholder data. CUSTOMER also acknowledges that it is CUSTOMER's duty to notify SERVICERS of any data security compromise and to cooperate and assist SERVICERS in any subsequent investigation and that CUSTOMER is solely responsible to pay any and all fines, assessments and other liabilities resulting from any such data security compromise.
- 25.3. SERVICERS may in their sole discretion, suspend or terminate card processing services to the CUSTOMER under the Bankcard Addendum for any data security compromise.

26. Miscellaneous.

- 26.1. If CUSTOMER requests SERVICERS to perform or provide any system enhancements, custom reports, or related service enhancements that are different from or in addition to the system, services and reports SERVICERS otherwise agree to provide to CUSTOMER (collectively, "System Enhancements"), SERVICERS will use reasonable efforts to provide such System Enhancements if CUSTOMER pays SERVICERS any additional fees provided for in the Contract. Following receipt of any request for System Enhancements and prior to providing the requested System Enhancements, SERVICERS shall provide CUSTOMER with a description of the System Enhancements to be made, together with an estimate of SERVICERS' fee for providing such System Enhancements. If CUSTOMER thereafter instructs SERVICERS in writing to make such System Enhancements, SERVICERS shall do so, and CUSTOMER shall pay the additional fees charged by SERVICERS for such System Enhancements.
- 26.2. Any notice to BANK shall be sent to BANK at Mail Code FL-Orlando-9126, 7455 Chancellor Drive, Orlando, FL 38209. Notices to PROVIDER or CUSTOMER shall be in the same manner provided in the Participation Agreement.
- 26.3. Reserved.
- 26.4. The parties acknowledge that the VISA and MasterCard Association Rules may provide VISA and MasterCard certain rights to require action(s) by Contractor, and that such action(s) may include termination or modification of this Agreement with respect to transactions involving VISA or MasterCard Cards and the VISA or MasterCard Card systems, and to investigate CUSTOMER. In the event any rights are exercised by VISA or MasterCard requiring SERVICERS to take action with respect to any transactions, SERVICERS shall provide notice to CUSTOMER and the State, and provide an opportunity to cure any alleged violation of this Agreement or any Association Rule under which the action is taken as permitted by the applicable association and provided to SERVICERS. The parties also acknowledge that issuers of other Cards, for which Contractor perform services on behalf of CUSTOMER, may provide similar rights and responsibilities under their applicable Association Rules with respect to this Agreement's applicability to transactions involving such other Cards. In the event any rights are exercised by card issuers other than VISA or MasterCard requiring SERVICERS to take action with respect to any transactions, SERVICERS shall provide notice to CUSTOMER and the State, and provide an opportunity to cure any alleged violation of this Agreement or any Association Rule under which the action is taken as permitted by the applicable Association and provided to SERVICERS.
- 26.5. CUSTOMER acknowledges and agrees that any of information obtained by SERVICERS may be shared with SERVICERS' Affiliates, who have a need-to-know, in connection with the provision of other services provided for in the Contract to CUSTOMER by SERVICERS, as long as the Affiliates are under obligation to treat such information with the same degree of care as required of SERVICERS under this Addendum or the MSA.
- 26.6. In the event any rights are exercised by VISA, MasterCard or any other card issuers requiring SERVICERS to take action with respect to any transactions or compliance, SERVICERS shall provide notice to CUSTOMER and the State, and agree to provide assistance to CUSTOMER, at CUSTOMER'S sole cost and expense, relating to such matters including but not limited to: advocating cure periods that are sufficient for CUSTOMER to effect necessary changes to remedy a violation, good faith negotiation for mitigation or waiver of fines or penalties imposed under Association Rules, or other such cooperative efforts as the Parties agree are proper for the continuance of this Agreement.

27. Visa and MasterCard Disclosure

Member BANK Information: SunTrust Bank

The BANK's mailing address is 7455 Chancellor Drive, Orlando, FL 38209 and its phone number is 800-432-7628.

Important Member BANK Responsibilities

- (a) The BANK is the only entity approved to extend acceptance of Visa and MasterCard products directly to a Merchant.
- (b) The BANK must be a principal (signer) to the Merchant Bankcard Addendum.
- (c) The BANK is responsible for educating Merchants on pertinent Visa and MasterCard Rules with which Merchants must comply; but this information may be provided to CUSTOMER by PROVIDER.
- (d) The BANK is responsible for and must provide settlement funds to the Merchant in accordance with the terms of the Bankcard Addendum.
- (e) The BANK is responsible for all funds held in reserve that are derived from settlement.

Important Merchant Responsibilities

- (a) Ensure compliance with Cardholder data security and storage requirements.
- (b) Maintain fraud and Chargebacks below Card Organization thresholds.
- (c) Review and understand the terms of the Bankcard Addendum.
- (d) Comply with Bankcard Association rules.

THE PARTIES HERETO HAVE CAUSED THIS BANKCARD ADDENDUM TO BE EXECUTED BY THEIR DULY AUTHORIZED OFFICERS. THIS BANKCARD ADDENDUM IS NOT BINDING UPON SERVICERS UNTIL SIGNED BY SERVICERS.

("CUSTOMER")

By: _____

Name: _____
(Please Print or Type)

Title: _____

Date: _____

SUNTRUST BANK, N.A.
("BANK")

By: _____

Name: _____
(Please Print or Type)

Title: _____

Date: _____

SUNTRUST MERCHANT SERVICES, LLC
("PROVIDER")

By: _____

Name: _____
(Please Print or Type)

Title: _____

Date: _____

ANNEX 1

As used in the MSA, Bankcard Addendum or any Schedule hereto, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

Acquirer: BANK in the case of MasterCard, Visa and certain debit transactions or PROVIDER in the case of Discover Network transactions that acquire Card sale transactions from CUSTOMER.

Address Verification: A service provided through which the merchant verifies the Cardholder's address, in whole or in part. Primarily used by Mail/Telephone/Internet order merchants, Address verification is intended to deter fraudulent transactions. However it is not a guarantee that a transaction is valid.

Affiliate: is an entity that, directly or indirectly, (i) owns or controls a party to this agreement or (ii) is under common ownership or control with a party to this agreement.

Authorization: Approval by, or on behalf of, the Issuer to validate a transaction. An Authorization indicates only the availability of the Cardholder's Credit Limit or funds at the time the Authorization is requested.

Authorized Center: A department that electronically communicates a merchant's request for Authorization on Credit Card transactions to the Cardholder's bank and transmits such Authorization to the merchant via electronic equipment or by voice Authorization.

Bankruptcy Code: Title 11 of the United States Code, as amended from time to time.

Business Day: Monday through Friday, excluding Bank holidays.

Card: See either Credit Card or Debit Card.

Cardholder: Means the Person whose name is embossed on a Card (or Debit Card, as applicable) and any authorized user of such Card.

Card Organization: Any entity formed to administer and promote Cards, including without limitation MasterCard Worldwide ("MasterCard"), Visa U.S.A., Inc. ("Visa"), DFS Services LLC ("Discover Network") and any applicable debit networks.

Card Organization Rules: The rules, regulations, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Card Organization and related authorities, including without limitation, those of the PCI Security Standards Council, LLC and the National Automated Clearing House Association (including, with respect to EBTs, the Quest Operating Rules).

Chargeback: A Card transaction (or disputed portion) that is returned to us by the Issuer. CUSTOMER is responsible for payment to SERVICERS for all Chargebacks.

Chargeback Percentage: Monthly percentage calculated by dividing CUSTOMER's total monthly Visa and MasterCard Chargeback items by the number of CUSTOMER's total monthly VISA and MasterCard transactions.

Chip: A computer chip embedded in a plastic Credit or Debit Card that interacts with an EMV-enabled point of sale terminal to validate the Card.

Credit: A refund or price adjustment given for a previous purchase transaction.

Credit Card: An account, which may be presented in various form factors (including, but not limited to, mobile devices, cards, fobs or tags) which bears a valid Organization Mark of Visa, MasterCard or Discover Network and authorizing the Cardholder to buy goods or services on credit and, to the extent the Schedules so provide, a valid device authorizing the Cardholder to buy goods or services on credit and issued by any other Card Organization specified on such Schedules.

Credit Voucher: The evidence of a refund or price adjustment by CUSTOMER to a Cardholder's Card account in connection with a prior purchase by such Cardholder using a Card, regardless of whether the form of such evidence is in paper, electronic or otherwise.

Debit Card: See either PIN Debit Card or Non-PIN Debit Card.

Discount Rate: A percentage rate and/or amount charged a merchant for processing its qualifying daily Credit Card and Non-PIN Debit Card transactions.

EMV: A technical standard for smart payment cards and for payment terminals and automated teller machines which can accept them. managed by EMVCo, LLC. EMV Specification 4.3 and related documents may be viewed and downloaded from <http://www.emvco.com/specifications.aspx> (.)

Imprinter: A manual or electric machine used to physically imprint the merchant's name and ID number as well as the Cardholder's name and Card number on Sales Drafts.

Issuer: The financial institution or Card Organization which has issued a Card to a person.

Magnetic Stripe: A stripe of magnetic information affixed to the back of a plastic Credit or Debit Card. The Magnetic Stripe contains essential Cardholder and account information.

Marks: names, logos, emblems, brands, service marks, trademarks, trade names, tag lines or other proprietary designations.

Merchant Account Number (Merchant Number): A number that numerically identifies each merchant location, outlet, or line of business to PROVIDER for accounting and billing purposes.

Non-PIN Debit: A device with a Visa, MasterCard, or Discover Network Mark, that is tied to a Cardholder's bank account or a prepaid account and which is processed without the use of a PIN.

Non-Qualified Interchange Fee: The difference between the interchange fee associated with the Anticipated Interchange Level and the interchange fee associated with the more costly interchange level at which the transaction actually processed.

Non-Qualified Surcharge: A surcharge applied to any transaction that fails to qualify for the Anticipated Interchange Level and is therefore downgraded to a more costly interchange level. The Non-Qualified Surcharge (the amount of which is set forth on the Service Fee Schedule) is in addition to the Non-Qualified Interchange Fee, which is also your responsibility (see Section 13.1)

Operating Procedures: The manual prepared by PROVIDER, containing operational procedures, instructions and other directives relating to Card transactions. A copy of the manual, titled "Your Card Acceptance Guide [SMB Direct 11/14]," is included in the proposal, as modified, as Schedule F.

Other Services: Other Services include all services related to JCB Card, PIN Debit Card, and EBT transactions, TeleCheck check services, TRS collection services, Equipment purchase and rental, Gift Card Services, Loyalty Services and Transactions involving Cards from other Non-Bank Card Organizations such as Voyager Fleet Systems, Inc., Wright Express Corporation and Wright Express Financial Services Corporation.

Person: a third party individual or entity, other than the CUSTOMER, PROVIDER or BANK.

PIN: A Personal Identification Number entered by the Cardholder to submit a PIN Debit Card transaction.

PIN Debit Card: An account, which may be presented in various form factors (including, but not limited to, mobile devices, cards, fobs or tags) which bears the Marks of ATM networks (such as NYCE or Star) used at a merchant location by means of a Cardholder-entered PIN in the merchant PIN Pad. PIN Debit Cards.

PIN Debit Sponsor Bank: The PIN Debit Sponsor Bank(s) identified on the Application signed by you that is/are the sponsoring or acquiring bank(s) for certain PIN Debit networks.

Point of Sale (POS) Terminal: A device placed in a merchant location which is connected to PROVIDER's system via telephone lines and is designed to authorize, record and transmit settlement data by electronic means for all sales transactions with PROVIDER.

Preauthorized Order: A Cardholder's written authorization to make one or more future charges to such Cardholder's MasterCard Card account.

Recurring Sale: A Cardholder's written authorization to make one or more future charges to such Cardholder's VISA or other non-MasterCard Card account.

Reserve Account: An account established and funded at our request or on your behalf, pursuant to Section 22 of the Agreement.

Retrieval Request/Transaction Documentation Request: A request for documentation related to a Card transaction such as a copy of a Sales Draft or other transaction source documents.

Sales Draft: Evidence of a purchase, rental or lease of goods or services by a Cardholder from, and other payments to, CUSTOMER using a Card, including preauthorized orders and recurring transactions (unless the context requires otherwise); regardless of whether the form of such evidence is in paper or electronic form or otherwise, all of which must conform to Card Organization Rules and applicable law.

Schedules: The attachments, addenda and other documents, including revisions thereto, which may be incorporated into and made part of this Agreement concurrently with or after the date of this Agreement.

Services: The activities undertaken by PROVIDER and/or BANK, as applicable, to authorize, process and settle all United States Dollar denominated Visa, MasterCard and Discover network transactions undertaken by Cardholders at CUSTOMER's location(s) in the United States, and all other activities necessary for PROVIDER to perform the functions required by this Agreement for Discover network and all other Cards covered by this Agreement.

Servicers: For Visa and MasterCard Credit, Non-PIN Debit Card transactions, PIN Debit, BANK and PROVIDER collectively, in which case, BANK and PROVIDER shall be jointly, but not also severally, liable to the CUSTOMER. For all other Card transactions, the words "our", "us" and "we" refer to PROVIDER.

Settlement Account: An account or account(s) at a financial institution designated by CUSTOMER as the account to be debited and credited by PROVIDER or BANK for Card transactions, fees, Chargebacks and other amounts due under the Agreement or in connection with the Agreement.

Third Party: Card Organization, Network, card-issuing organization, telecommunications provider, express delivery service providers and shall mean without limitation transportation suppliers, federal, state, or local governmental authority

Third Party Fees: Any fees that are charged by a Third Party including, without limitation, any switch fee, issuer, reimbursement fee, adjustment fee, interchange fee, assessment fee, access fee, or any Card Organization or Network fee, fines or penalties of the CUSTOMER.

Transaction Fees: Service costs charged to a merchant on a per transaction basis.